

Message Text

UNCLASSIFIED

PAGE 01 STATE 110066
ORIGIN ACDA-10

INFO OCT-01 EUR-12 ISO-00 ERDA-07 AF-10 ARA-10 CIAE-00
DODE-00 EA-09 PM-04 H-02 INR-07 IO-13 L-03
NASA-02 NEA-10 NSAE-00 NSC-05 OIC-02 SP-02 PA-02
PRS-01 OES-07 SS-15 USIA-15 TRSE-00 OMB-01 CG-00
DOTE-00 /150 R

DRAFTED BY: ACDA/MA/IR:NWALDROP

APPROVED BY: IO.JBAKER

IO/UNP:GHELMAN

ACDA/WEC:JDESPRES

PM/DCA:MARIETTI/LBRECKON

EUR/RPM:TSVAGE

OSD/ISA:DSTEVENS

-----151905Z 011416 /45

P R 142044Z MAY 77

FM SECSTATE WASHDC

TO USMISSION USUN NEW YORK PRIORITY

INFO AMEMBASSY BELGRADE

AMEMBASSY BONN

USMISSION GENEVA

AMEMBASSY LONDON

AMEMBASSY MOSCOW

AMEMBASSY PRAGUE

AMEMBASSY ROME

AMEMBASSY STOCKHOLM

AMEMBASSY THE HAGUE

AMEMBASSY TOKYO

USMISSION NATO

UNCLAS STATE 110066

E.O. 11652: N/A

TAGS: PFOR, PARM, UN

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 STATE 110066

SUBJECT: NOMINATION OF BUDGET EXPERT AND SUBMISSION OF
COMMENTS TO UNSYG ON MILITARY EXPENDITURES LIMITATIONS

REFS:A)USUN 377 (NOTAL) B)USUN A-70

1. PLEASE INFORM PAL CSILLAG OF THE UN SECRETARIAT THAT THE
USG DESIRES TO NOMINATE JOHN KOEHLER, ASSISTANT DIRECTOR

OF THE CONGRESSIONAL BUDGET OFFICE, AS A BUDGETARY EXPERT TO PARTICIPATE IN THE NEW STUDY GROUP COMMISSIONED BY UNGA RESOLUTION 31/87 AND SCHEDULED TO HOLD ITS FIRST SERIES OF MEETINGS DURING THE WEEK OF MAY 31.

2. IN ADDITION, PLEASE CONVEY TO THE SECRETARIAT THE FOLLOWING USG COMMENTS, SUBMITTED PURSUANT TO THE UNGA RESOLUTION:

BEGIN TEXT:

3. THE UNITED STATES CONSIDERS THE 1976 REPORT OF THE SECRETARY-GENERAL ON THE MEASUREMENT AND INTERNATIONAL REPORTING OF MILITARY EXPENDITURES (A/31/222) TO BE A CONSTRUCTIVE CONTRIBUTION TO THE PROCESS OF DEVELOPING GENERALLY ACCEPTABLE REPORTING STANDARDS. MAKING MEANING-

FUL AND RELIABLE DATA ON MILITARY EXPENDITURES AVAILABLE IN A FORM WELL SUITED TO INTERNATIONAL COMPARISONS COULD PLAY AN IMPORTANT ROLE IN PROMOTING INTERNATIONAL SECURITY AND CONFIDENCE. STANDARDIZED REPORTING BY ALL NATIONS WOULD HELP DEVELOP A BASIS FOR POSSIBLE FUTURE AGREEMENTS LIMITING MILITARY EXPENDITURES. ACCORDINGLY, AS RECOMMENDED IN THE SECRETARY-GENERAL'S REPORT, THE UNITED STATES SUPPORTS CONTINUING SYSTEMATIC AND CAREFUL DEVELOPMENT OF A REPORTING FRAMEWORK.

4. THE STANDARDIZED INSTRUMENT PROPOSED IN THE 1976 REPORT IS A LOGICAL OUTGROWTH OF THE SECRETARY-GENERAL'S 1974 UNCLASSIFIED

UNCLASSIFIED

PAGE 03 STATE 110066

REPORT ON THE REDUCTION OF MILITARY BUDGETS (A/9770/REV.1). BASED ON THE U.S. GOVERNMENT'S REVIEW OF THE STANDARD REPORTING INSTRUMENT PROPOSED BY THE GROUP OF EXPERTS IN THE 1976 REPORT, ITS COMPLETION SHOULD NOT PRESENT GREAT DIFFICULTIES. NEVERTHELESS, READILY AVAILABLE U.S. DATA CANNOT BE DIRECTLY INSERTED IN THE REPORTING MATRIX, FOR A VARIETY OF TECHNICAL REASONS:

(A) DATA ON U.S. MILITARY EXPENDITURES IS MORE READILY AVAILABLE BY "RESOURCE COSTS" OR BY "FORCE GROUPS" THAN BY COMBINATIONS OF THEM;

(B) CURRENT U.S. BUDGET REPORTING PRACTICES DO NOT DISTINGUISH BETWEEN DOMESTIC PRODUCTION AND IMPORTED MATERIAL, BETWEEN FORCE-ALLOCATED STOCKS AND GENERAL STOCKPILES, OR AMONG A NUMBER OF DIFFERENT TYPES OF CONSTRUCTION;

(C) INFORMATION ON TOTAL U.S. EXPENDITURES ON PARA-

MILITARY FORCES AND ON CIVIL DEFENSE IS NOT CURRENTLY AVAILABLE, BECAUSE BEDEFAL SPENDING FOR THESE PURPOSES IS SUPPLEMENTED BY STATE AND LOCAL EXPENDITURES.

5. AN ADDITIONAL PROBLEM RELATES TO THE FACT THAT A DEFINITIVE DETERMINATION OF MILITARY SPENDING OR OUTLAYS FOR A GIVEN FISCAL YEAR IS NOT POSSIBLE UNTIL SEVERAL YEARS LATER. THUS THERE ARE SIGNIFICANT TECHNICAL ISSUES WHICH THE U.S. WOULD HAVE TO RESOLVE IN COMPLETING THE STANDARDIZED REPORTING INSTRUMENT, BUT THEY SEEM TO BE SURMOUNTABLE WITH A MODERATE AMOUNT OF EFFORT.

6. IN DEVELOPING AN INTERNATIONAL REPORTING SYSTEM FOR MILITARY EXPENDITURES, IT WILL BE USEFUL TO IDENTIFY CERTAIN WELL-KNOWN RELATIONSHIPS BETWEEN DEFENSE DEPARTMENT SPENDING AND OVERALL NATIONAL INCOME AND PRODUCT ACCOUNTS. FOR EXAMPLE; CERTAIN TYPES OF EXPENDITURES UNCLASSIFIED

UNCLASSIFIED

PAGE 04 STATE 110066

RELATED TO PAST ACTIVITIES SHOULD BE DELETED (E.G., PENSIONS), AS WELL AS THOSE WHICH SERVE CIVIL PURPOSES (E.G., CONTROL OF WATERWAYS AND RIVERS) OR WHICH DO NOT DIRECTLY CONTRIBUTE TO MILITARY CAPABILITIES (E.G., SPENDING FOR THE HEALTH AND HOUSING OF MILITARY DEPENDENTS). IN ADDITION, CERTAIN TYPES OF EXPENDITURES OF OTHER ORGANIZATIONS (E.G., THE U.S. COAST GUARD) SHOULD BE ADDED TO DEFENSE DEPARTMENT BUDGET FIGURES.

7. A FURTHER COMPLICATION ARISES BECAUSE OF THE LEGISLATIVE ASPECTS OF THE U.S. BUDGETARY PROCESS. IN THIS CONNECTION IT WILL BE NECESSARY TO MAINTAIN CLEAR DISTINCTIONS BETWEEN THE AMOUNTS AUTHORIZED BY CONGRESS, THE AMOUNTS APPROPRIATED BY CONGRESS, AND THE AMOUNTS ACTUALLY SPENT BY THE EXECUTIVE BRANCH. ONLY THE LAST TYPE OF FIGURES, ACTUAL OUTLAYS, ARE SPECIFICALLY APPLICABLE TO THE STANDARDIZED REPORTING INSTRUMENT.

8. THESE AND SIMILAR PROBLEMS IDENTIFIED BY OTHER COUNTRIES CAN UNDOUBTEDLY BE RESOLVED DURING THE PROCESS OF OPERATIONAL TESTING AND REFINEMENT, AS SUGGESTED IN THE 1976 REPORT. THE US GOVERNMENT SUPPORTS THE APPROACH TO IMPLEMENTATION DESCRIBED IN THE REPORT, INCLUDING THE ESTABLISHMENT OF AN AD HOC PANEL OF EXPERIENCED MILITARY BUDGET PRACTITIONERS WHO WOULD PROVIDE TECHNICAL ASSISTANCE DURING IMPLEMENTATION. IN ORDER TO DISCOVER AND RESOLVE PROBLEMS OF COMPARISON OVER TIME, IT WILL BE NECESSARY TO EVALUATE DATA FOR SEVERAL YEARS. IN ADDITION, IN ORDER TO ENSURE THAT THE STANDARDIZED REPORTING INSTRUMENT IS BOTH SUFFICIENTLY FLEXIBLE AND

SUFFICIENTLY PRECISE TO CHARACTERIZE AND COMPARE
EXPENDITURE DATA DERIVED FROM DIFFERENT NATIONAL ACCOUNT-
ING PRACTICES, IT WILL BE IMPORTANT TO INCLUDE INFORMATION
FROM COUNTRIES WHICH REPRESENT THE MAIN TYPES OF NATIONAL
ECONOMIC SYSTEMS AND WHICH HAVE LARGE MILITARY
UNCLASSIFIED

UNCLASSIFIED

PAGE 05 STATE 110066

EXPENDITURES.

9. BEFORE IT WILL BE POSSIBLE TO FORMULATE REALISTIC AND
EFFECTIVE UNDERTAKINGS LIMITING MILITARY EXPENDITURES, A
NUMBER OF TECHNICAL ISSUES REMAIN TO BE RESOLVED,
ESPECIALLY THOSE ASSOCIATED WITH VERIFICATION. IN THE
1976 REPORT THE GROUP OF EXPERTS EXPRESSED THE VIEW THAT
IMPLEMENTATION OF AN ORDERLY REPORTING PROCEDURE SHOULD
LEAD WITHOUT DELAY TO INTERNATIONAL CONSIDERATION OF
THESE ISSUES, AND THE US GOVERNMENT CONCURS WITH THIS
VIEW. PART OF THE SUBSEQUENT WORK WILL INVOLVE DEVELOPING
TECHNIQUES FOR ACCURATE INTERNATIONAL COMPARISONS OF
MILITARY EXPENDITURES, REQUIRING CONSISTENT STANDARDS
FOR RESOURCE VALUATION, PRICE DEFLATION, AND CURRENCY
CONVERSION.

10. THE US GOVERNMENT SUPPORTS EFFORTS TO REDUCE
TENSIONS AND ENHANCE INTERNATIONAL SECURITY, AND IS
PREPARED TO PARTICIPATE IN THE WORK OF THE AD HOC PANEL
CONCERNED WITH IMPLEMENTING AN INTERNATIONAL REPORTING
INSTRUMENT FOR MILITARY EXPENDITURES, AS WELL AS IN
SUBSEQUENT EFFORTS DIRECTED TOWARD THE RESOLUTION OF
REMAINING TECHNICAL ISSUES. IMPLEMENTATION WILL BE A
VERY CONSTRUCTIVE STEP, BUT IT CAN ONLY BE CONSIDERED
A BEGINNING TO THE PROCESS OF DEVISING RELIABLE INTER-
NATIONAL MEANS WHICH COULD FORM THE BASIS FOR AGREEMENTS
LIMITING MILITARY EXPENDITURES. END TEXT. CHRISTOPHER

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: NOMINATION, BUDGETS, POLICIES, MILITARY EXPENDITURES, PERSONNEL APPOINTMENTS, COMMITTEES, GOVERNMENT REACTIONS, INTERNATIONAL ORGANIZATIONS
Control Number: n/a
Copy: SINGLE
Sent Date: 14-May-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977STATE110066
Document Source: CORE
Document Unique ID: 00
Drafter: ACDA/MA/IR:NWALDROP
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770172-1087
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770557/aaaabxdt.tel
Line Count: 208
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 1a3bd593-c288-dd11-92da-001cc4696bcc
Office: ORIGIN ACDA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 77 USUN NEW YORK 377, 77 USUN NEW YORK A-70
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 11-Jan-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2520244
Secure: OPEN
Status: NATIVE
Subject: NOMINATION OF BUDGET EXPERT AND SUBMISSION OF COMMENTS TO UNSYG ON MILITARY EXPENDITURES LIMITATIONS
TAGS: PFOR, PARM, US, UN, (KOEHLER, JOHN)
To: USUN NEW YORK
Type: TE
vdkgvkey: odb://SAS/SAS.dbo.SAS_Docs/1a3bd593-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009